

**ARIZONA DEPARTMENT OF REAL ESTATE
EDUCATION ADVISORY COMMITTEE
MINUTES
June 8, 2010**

The Education Advisory Committee (EAC) met on Tuesday, June 8, 2010 at the Arizona Department of Real Estate (ADRE), 2910 N. 44th Street, First Floor Conference Room, Phoenix, Arizona.

I. CALL TO ORDER

Commissioner Lowe called the meeting to order at 10:03 a.m.

Members present: Jon Kichen, John Crosby, Lin Ferrara, Holly Eslinger, Andrew Jaffe, and Jim Hogan.

Attending via phone: Bob Bass

Unable to Attend: Tom Heath, Jim Marian and John Latardo

ADRE representatives present: Commissioner Judy Lowe, Assistant Commissioner - Business Services Mary Utley, Business Service Manager Vicky Rokkos, Education Manager Carla Randolph, Meeting Coordinator Tami Grays

Public: Becky Ryan - Sub- Committee Chair, Continuing Education Distance Learning Subcommittee

II. WELCOME-DEPARTMENT UPDATE

Commissioner Lowe announced Assistant Commissioner of Real Estate Services Janet Blair's resignation and discussed the effects on the Department; the Education Division; and, its impact. The effect of the vacancy will continue to be evaluated.

Commissioner Lowe stated the budget pressures have lessened with the passage of the 1 cent sales tax. The mandatory Furlough Days (unpaid day off closing most State offices) will be in effect for the balance of the Fiscal Year 2011 which starts July 1st and Fiscal Year 2012. As a result, ADRE is streamlining internal processes so as to operate with less.

Commissioner Lowe announced ADRE's new unlimited online access to transaction/document storage management systems. Cooperative brokers have volunteered to allow access to ADRE for audit/complaint purposes. An explanation of the process was provided and was followed by group discussion as well as feedback regarding this process.

Unrelated Item – Not on Agenda

On a separate matter, the licensing process of a school was briefly discussed. There is a concern that school licensure has no criteria and that anyone can open a school without credentials. A couple of years ago there was a proposal for school criteria but it was buried in the moratorium on the rules regulation put into place by the Governor. A statement was made that schools are not advertising correctly and there have been complaints that what is being advertised is not what is being offered. **The question was posed whether the ADRE can regulate what has no regulation. It was suggested that the topic on regulations for establishing a school be tabled on a future agenda.**

b. CE (continuing education) Non-Compliance Process & Report (Handout) - Vicky Rokkos

Business Service Manager Vicky Rokkos reported that the ADRE is continuing to see licensees not completing the 1st 24 hours of continuing education. Each month, approximately 80 plus licensees are referred to the ADRE's Enforcement and Compliance Division. In addition, the Commissioner corresponds with designated broker to ensure compliance.

c. Review Education Division Monthly Report (Handout) – Carla Randolph

Education Manager Randolph has been working with Education staff to streamline procedures and establish responsibilities.

Manager Randolph reported on the notification to schools encouraging use of the ADRE's online 14 day notice requirement and course renewals.

Manager Randolph addressed the upcoming legislative change regarding the 4-year license renewal that will be changed back to a 2-year license renewal. She stated that the ADRE is awaiting clarification from the Attorney General's Office whether this legislation will apply to courses and instructors.

- **Handout Education Division Monthly Report and Recent Weekly Report** - Manager Randolph distributed the Education Division Monthly report for May 2010 and most recent weekly report. She identified key areas reflecting continual timely processing of education applications.

Additionally, she identified the inaccurate count of number of examinations administered on the monthly report based on reports from the current examination vendor, Prometric, and gave a detailed explanation of the reporting discrepancy. EAC Member Jim Hogan requested that future

including the appeal process if applicants are denied a clearance card. This new process removes the responsibility/workload from ADRE as it pertains to license denial and the appeal process. The effective date for this requirement starts October 1, 2010. There is currently a 6-8 week backlog at DPS on processing fingerprint clearance card applications.

III. FEEDBACK FROM EAC MEMBERS – INDUSTRY/EDUCATION HOT TOPICS

- It was suggested by member Jim Hogan that ADRE not increase the Arizona specific question bank until later because of the time increase and the fact that all the test centers are not up and functioning. Commissioner Lowe stated that ADRE will come to a decision by next Tuesday regarding the number of questions.
- It was also requested that the ADRE send the prelicensure schools their examination passing statistics.
- The EAC questioned the intent of the Online 14-Day Course Notice. Manager Randolph discussed the statutory requirement of the 14-Day Notice for the course monitor assignments. She explained what key information is entered online. In addition, the public is able to go online for upcoming continuing education information versus calling the ADRE for that information.

Since there are a lot of hot topics about the ADRE online system, it was suggested the potential discussions be tabled for the next EAC meeting agenda.

IV. Next EAC meeting: August 10, 2010

V. Meeting adjourned at 12:10 pm

DATED THIS 14th DAY OF SEPTEMBER, 2010
EDUCATION ADVISORY COMMITTEE

BY: *Orla Randolph*